

SCDE Medicaid School District Administrative Claiming SDAC Cost Reporting Guide – 2011-2012

SCDE Medicaid SDAC Cost Reporting Guide

Contents

I. SDAC Overview	2
II. SDAC Program Time Frames	3
III. Cost Data – Offsets: Federal/Special Funding	4
IV. Certification Of Match.....	7
V. Cost Data – Quarterly Reporting Steps	7
VI. Cost Data – Salaries and Fringe Benefits on PersCost worksheet	9
VII. Cost Data – Salaries and Fringe Benefits: Other Costs Section II.....	10
VIII. Other Cost Data – Section I: Purchased Services and Supplies	11
IX. Other Cost Data – Section III: Total District Salaries & Fringes.....	13
X. Once you’ve completed the spreadsheet – the process	14
XI. Checklist	15
XII. Questions or Concerns	16
Appendix 1: Certification of State Expenditures by School Districts	17
Appendix 2: Expenditure Account Fund Codes – 200 Series	18
Appendix 3- MEDICAID MONEY: HOW CAN IT BE USED? IS IT FEDERAL?	20
Appendix 4 – FY 2011-2012 Indirect Cost Rates.....	21
Appendix 5: Indirect Cost Rate Methodology	24

I. SDAC Overview

The school setting provides a unique opportunity to enroll eligible children in the Medicaid program, and to assist children who are already enrolled in Medicaid to access the benefits available to them. Centers for Medicare & Medicaid Services, Medicaid School-Based Administrative Claiming Guide, May 2003, page 1.

Medicaid focuses on children. Children attend school. Medicaid and schools partner to bring children needed health care. Medicaid School District Administrative Claiming (SDAC) is a federally funded program endorsed by the South Carolina Department of Health and Human Services (SCDHHS). The program allows school districts to be reimbursed for some of their costs associated with school-based health and outreach activities, which are not claimable under other Medicaid “fee for service” or cost-based reimbursement programs. The types of school-based health and outreach activities funded under SDAC include:

- ❖ Outreach to the Medicaid program;
- ❖ Facilitating Medicaid eligibility determinations;
- ❖ Medicaid application assistance;
- ❖ Referral to Medicaid participating providers for Medicaid-covered services;
- ❖ Coordination of Medicaid-covered services;
- ❖ Arranging transportation for a child to receive a Medicaid-covered services;
- ❖ Translation assistance;
- ❖ Training on Medicaid, EPSDT, or to improve the delivery of medical services;
- ❖ Planning to improve the coordination and delivery of children’s health services;
- ❖ Collaboration with other agencies and health care providers to expand and coordinate children’s medical care; and
- ❖ Identifying gaps and duplication in children’s medical services and planning improvements.

A focus of the SDAC program is the EPSDT (Early Periodic Screening, Diagnosis and Treatment) Program, which is used to ensure a comprehensive, preventative health care program for Medicaid eligible children. Medicaid or SC’s Partners for Healthy Children provides healthcare for kids including:

- ☐ Regular checkups

- ☐ Immunizations
- ☐ Doctor visits
- ☐ Eyeglasses
- ☐ Prescription drugs
- ☐ Hospitalization
- ☐ Dental Care

Your School District has contracted with the South Carolina Department of Education (SCDE) to assist in filing claims to Medicaid for SDAC. Your district participates in time-study sampling that collects data identifying the percentage of time certain staff spend performing activities that are reimbursable under Medicaid SDAC. The results are used to calculate the reimbursable costs associated with activities in the Medicaid SDAC program. To prepare a claim for submission to Medicaid, the results of the time study must be applied to the District's **actual** cost of performing those activities. We therefore ask you for these costs after completion of the calendar quarter.

The steps outlined below will provide school district finance personnel with an understanding of the cost data required, time frames for submission of cost data, and contact numbers for additional assistance. A complete guide to the South Carolina School District Administrative Claiming Program is also available from SCDHHS.

II. SDAC Program Time Frames

Ordinarily we will ask that cost data be sent in time to receive it by no later than the last working day of the month after the end of the calendar quarter. For example, the cost data for the April through June 2012 quarter should be submitted no later than the last working day (the 31st) of July 2012.

January February March 2012	April 30, 2012
April May June 2012	July 31, 2012
July August September 2011	October 31, 2011
October November December 2011	January 31, 2012

Your prompt submission assures that your school district's claim is submitted to Medicaid as soon as possible, and that you receive timely reimbursement.

III. Cost Data – Offsets: Federal/Special Funding

Medicaid SDAC does not reimburse expenditures for which you already receive federal dollars. It also does not reimburse for state dollars that have already been used to match other federal funds (e.g., federal grant funds). In the past, you may have reported only net costs – the district's expense net of any federal funds. Starting October 1, 2003, you must show the total district expenditure, any federal or other offsets for that expenditure, and the net district-claimable amount available for submission through Medicaid SDAC invoicing. As in the past, you must maintain in your quarterly SDAC audit file the work papers to support the claimed salaries, expenditures, and offsets.

The district must have adequate procedures in place to calculate properly the offsets related to SDAC costs. Claims must be net of costs already supported by other federal grants. Revenue offsets are required by Office of Management and Budget (OMB) Circular A-87, Attachment A, Part C, item 4a, which states, "Applicable credits refer to those receipts or reduction of expenditure-type transactions that offset or reduce expense items allocable to Federal awards as direct or indirect costs."

- ❖ None of the employees on the Personnel Roster should be 100% federally funded. The district can include, however, employees who are partially federally funded, so long as some portion of the salary remains after offsets.
- ❖ Districts must offset against expenditures any state funds that have already been used to match other federal funds, e.g., federal grant funds.
- ❖ Any income received from nongovernmental sources (e.g., private insurance payments) must also be offset against SDAC expenditures.
- ❖ Our templates include a column for listing the Fund Code and Function Code. Most Expenditure Account Fund Codes in the 200 series are federal funds. See Appendix 2. If your district uses a 200 series code to report non-federal funds, please include a description of the code when you send the completed template to SCDE. Failure to explain your 200 fund codes may result in delay of your SDAC claim.
- ❖ **Only** employees included on the Personnel Roster should be included in Personnel Costs template. Our template links the Personnel Roster to the Personnel Costs so that you need neither retype the lines nor worry

about inclusion of extra people. If the fund and function codes have been placed on the roster, these are also linked to the PersCost template.

- ❖ We can supply to districts spreadsheets with the quarters' personnel and cost templates based upon the rosters supplied by the district's SDAC Coordinator. An Alt PersCost worksheet can be supplied; the district can choose to use that worksheet or the one that is pre-populated with the district's information supplied by the coordinator.
- ❖ If your district does not "split" funding of employees among different sources, then your total expense and net expense may be the same amounts.
- ❖ You may have personnel who are funded by Medicaid reimbursements. This is not considered "federal revenue." Because Medicaid reimburses a portion of a district's total expenses, once you receive the Medicaid check, it is district, non-federal money. See Appendix 3.

Please report the total expenditures and any federal funds and offsets to the cost of any position or other expenditure.

If a selected employee is jointly funded, you should report the appropriate portion of the employer contributions and fringe benefits for claiming purposes. For example, an employee earns \$8000 for the quarter; contributions and fringe benefit expenditures are \$2240. The employee is paid 25% from federal funds. The cost expenditure columns in the SCDE SDAC template would be reported as follows:

F	G	H	I	J	K	L
Total Salary	Federal & Offsets	Net Salary	Total Contrib.- Fringe	Federal & Offsets	Net Contrib - Fringe	Total Claimable Expense
\$8000	\$2000	\$6000	\$2240	\$560	\$1680	\$7680

The expenditure Microsoft Excel template is set up with columns to automatically calculate Columns H, K, and L.

The following is the language on this topic from the May 2003 CMS SDAC Guide:

C. Offset of Revenues

Certain revenues must offset allocation costs in order to reduce the total amount of costs in which the federal government will participate. To the extent the funding sources have paid or would pay for the costs at issue, federal Medicaid funding is not available and the costs must be removed from total costs (See OMB

Circular A-87, Attachment A, Part C., Item 4.a.). The following include some of the revenue offset categories which must be applied in developing the net costs:

- All federal funds.
- All state expenditures which have been previously matched by the federal government (includes Medicaid funds for medical assistance (such as the payment rate for services under fee-for-service)).
- Insurance and other fees collected from non-governmental sources must be offset against claims for Medicaid funds.
- All applicable credits must be offset against claims for Medicaid funds. Applicable credits refer to those receipts or reduction of expenditure type transactions that offset or reduce expense items allocable to federal awards as direct or indirect costs.
- A program may not claim any federal match for administrative activities if its total cost has already been paid by the revenue sources above. A government program may not be reimbursed in excess of its actual costs, i.e., make a profit.

The following is a quotation from the Office of Inspector General's report on the Iowa Schools SDAC program:

Matching expenditures are required by 42 CFR § 432.50, entitled "FFP: Staffing and training costs," which states that "(b) (6) For all other staff [meaning staff other than skilled professional medical personnel] of the Medicaid agency or other public agencies providing services to the Medicaid agency . . . the rate is 50 percent" Restrictions pertaining to the non-Federal share of expenditures are contained at 42 CFR § 433.51, entitled "Public funds as the State share of financial participation," that required:

- (a) Public funds may be considered as the State's share in claiming FFP if they meet the conditions specified in paragraphs (b) and (c) of this section.
- (b) The public funds are appropriated directly to the State or local Medicaid agency, or transferred from other public agencies (including Indian tribes) to the State or local agency and under its administrative control, or certified by the contributing public agency as representing expenditures eligible for FFP under this section.
- (c) The public funds are not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds.

IV. Certification Of Match

C11	A	B	C	D	E	F	G	H	I	J	K	L	M
1	SOUTH CAROLINA SCHOOL DISTRICT ADMINISTRATIVE CLAIMING INVOICE												
2	School District												
3	For the quarter ending	March 20xx											
4													
5	Medicaid Eligibility	60.13%											
6													
7	Total Costs--Less Indirect			Salaries	Other Costs		Total						
8				\$480,445.61	\$151,201.71		\$ 631,647.32						
9	Non-Discounted Activities												
10													
11					JFM>XX Activity								
12								Salaries	Other	Total			
13	C. Outreach to Medicaid Program							Gross	Gross				
14	E. Facilitating an Application to Medicaid							Claimable	Claimable				
15						1.00%		\$4,809	\$1,513	\$6,322			
16													
17	Discounted Activities												
18													
19					JFM>XX Activity								
20	G. Referral, Monitoring, Coordination												
21	I. Assisting Access to Translation/Transportation												
22	K. Medicaid/Medical Training												
23	M. Medical Service Program Planning Policy Coord.												
24						2.19%							
25						60.13%							
26						1.32%		\$6,334	\$1,993	\$8,327			
27													
28	GROSS CLAIMABLE		\$14,650				Totals	\$11,143	\$3,507	\$14,650			
29	INDIRECT		\$1,479					GROSS	Unrestricted	GROSS			
30	TOTAL		\$16,128					CLAIM	RATE	INDIRECT			
31	NET CLAIMABLE		\$8,064			[50%]		SALARIES					
32								\$11,143	13.27%	\$1,479			
33	TOTAL CLAIMED		\$8,064										
34	As financial officer of the above named district, I am charged with supervising the administration of the provision and billing for the School District Administration Claiming services provided under Title XIX (Medicaid) and Title XXI of the Social Security Act, as amended. I hereby certify that the school district has expended the state share of public, non-federal funds needed to match the federal share of medical claims billed to the state Medicaid agency for School District Administrative Claiming services provided to												

Upon receipt from SCDE of the invoice incorporating the quarterly cost data, you will need to fax a signed copy (or create a .PDF of the signed invoice and attach to an email) of the Certification of Match document that certifies that your district has expended dollars reported for your claim and that those dollars have not been used to match other federal revenue sources. This document has been included in this guide as Appendix 1, and is on the invoice tab in the SCDE template. When completed, it should be faxed to:

SCDE Medicaid Services
 Quinton Harris, SDAC Fiscal Technician
Qharris@ed.sc.gov or fax 803-734-3247

The original copy of the certification page should be retained for a period of five years for audit purposes.

V. Cost Data – Quarterly Reporting Steps

Listed below are the cost data items and steps to follow, ***each quarter***, to prepare the Medicaid administrative services claim and maintain an appropriate audit trail related to costs reported for Medicaid administrative activities.

- Each quarter's worksheets are labeled as follows: Personnel [quarter/year]
 - Personnel Data Collection template for the sample pool; PersCost [quarter/year] - Personnel costs for that quarter; and Other Costs [quarter/year] - three sections for additional expenditure data. For

example, the fourth calendar quarter for 2010 has worksheets titled Personnel OND 10, PersCostOND 10, and Other Cost OND 10.

2. Expenditures are collected quarterly at the completion of each calendar quarter. **All data should pertain to the quarter in which it is actually expensed.**
 - For audit purposes please retain back up information for a period of five years.
 - Additionally, please retain a copy of the data collection worksheets for future reporting purposes.

15	0	0	0	0	0	0	\$	-
16	0	0	0	0	0	0	\$	-
17	0	0	0	0	0	0	\$	-
18	0	0	0	0	0	0	\$	-
19	0	0	0	0	0	0	\$	-
20	0	0	0	0	0	0	\$	-
21	0	0	0	0	0	0	\$	-
22	0	0	0	0	0	0	\$	-
23	0	0	0	0	0	0	\$	-
24	0	0	0	0	0	0	\$	-

3. Before the start of each quarter you will be asked to work with a designated school district SDAC coordinator, responsible for choosing the staff to be included in the sample pool. You will be asked to assist with the identification of the appropriate fund and function code numbers from which those employees are expensed.
4. At this time, it is extremely important to identify those employees who may be funded solely by federal or other offset funds and to exclude them for both sample pool and cost reporting purposes.

1	PERSONNEL ROSTER FOR APRIL-MAY- JUNE 20xx							DUE TO SDE BY FEBRUAR
2	Please indicate the name of the district SDAC Coordinator to whom employees should return the comp							
3	New District Code (see tab)	District Name	School Code	School Name	Fund Code	Subfunction Code	New Job Code (see tab)	Job Title (Optional)
4	2450	Greenwood 50	2450018	Woodfields Elementary	100	213	17	Nurse, LPN
5	2450	Greenwood 50	2450001	Emerald High	100	213	18	Nurse, RN
6	2450	Greenwood 50	2450008	Oakland Elementary	100	213	17	Nurse, LPN
7	2450	Greenwood 50	2450003	Northside Middle	100	213	18	Nurse, RN
8	2450	Greenwood 50	2450002	Greenwood High	100	213	18	Nurse, RN
9	2450	Greenwood 50	2450029	Westview Middle	100	213	18	Nurse, RN
10	2450	Greenwood 50	2450009	Lakeview Elementary	100	213	18	Nurse, RN
11	2450	Greenwood 50	2450017	Brewer Middle	100	213	18	Nurse, RN
12	2450	Greenwood 50	2450016	Hodges Elementary	100	213	17	Nurse, LPN
13	2450	Greenwood 50	2450014	Pinecrest Elementary	100	213	18	Nurse, RN
14	2450	Greenwood 50	2450028	Springfield Elementary	100	213	18	Nurse, RN
15	2450	Greenwood 50	2450012	Merrywood Elementary	100	213	18	Nurse, RN
16	2450	Greenwood 50	2450007	East End Elementary	100	213	18	Nurse, RN
17	2450	Greenwood 50	2450011	Mathews Elementary	100	213	17	Nurse, LPN
18	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
19	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
20	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
21	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
22	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
23	2450	Greenwood 50	2450015	Mathews Elementary	100	223	6	Case Manager
24	2450	Greenwood 50	2450017	Brewer Middle	100	223	6	Case Manager
25	2450	Greenwood 50	2450018	Woodfields Elementary	100	223	6	Case Manager

All fund code 100,
State General Fund.

- If an employee is jointly funded, they may be included in the sample pool and the appropriate portion of their salary, benefits and related expenditures should be reported for claiming purposes.
- If the only listed Fund Code is in the 200 series, you will be contacted to ascertain whether the employee has any non-federal funding.

	Name	Fund Code	Subfunction Code	New: JD Code (see tab)
Partial federal funding -OK	PARK	100(90%)	1260	33
		100(40%)	2130	18
		100 (90%)	1260	33
		100 (90%)	1260	33
	PARK	100(60%)	1260	33
	4401007 BUFFALO	100 (90%)	2140	24
	4401014 JONESVILLE EL	100 (55%)	2130	18
	4401014 JONESVILLE HI	100(55%)	2130	18
	4401012 FOSTER PARK	100	2130	18
200 Code: need more information		100 (45%)	1260	33
		100 (90%)	1260	33
		100(90%)	1260	33
		100 (90%)	2140	24
		100 (90%)	1260	33
		100	2130	18
		100	126	33
	3701012 Keowee Elementary	200	212	8
	3701013 Northside Elementary	200	213	19
	3701016 J M Brown Elementary	200	213	19
	3701019 J N Kellet Elementary	100	126	36

- The pertinent data from the **Personnel** worksheet have been linked and copied to the **PersCost** worksheet, where actual salary and benefit dollars paid for the completed quarter should be reported. See additional steps for completing these worksheets below.

6. The function (a.k.a. subfunction) code is important to reporting your district's indirect costs. Section I of the "Other Costs" template calls for data on the costs in functions 100, 120, 140, 160, 170, and 200 (excluding expenditures from functions 231-318, 252, 254, 257, 259, and the 260 Series). If you have not reported the function codes, your claim will not include the costs reported in Section I.

7. NOTE: The salary, contributions, and fringes of an employee whose function code is 252, 254, 257, 259, or in the 260 series are included in your district's non-restricted indirect cost rate. Therefore, these expenditures should not be included on your PersCost worksheet for the quarter. To avoid questions from us about the missing information, please enter the function code and a note with the reason for the missing information.

VI. Cost Data – Salaries and Fringe Benefits on PersCost worksheet

- At the end of each quarter please input the total expenditure amounts at the fund/sub-function level on the **PersCost** worksheet. You will only need to complete the cells for each area from which sample pool personnel are pulled.

	D	E	F	G	H	I	J	K	L
1		Due Date:	30-Jan 20xx			<Back to Table of Contents>			
2	Paid this quarter. Do not include fringes for contract staff.								
3				(Less: Federal Amt,			(Less: Federal,		
4		All Salary or	Amts Already Used		All Employer	Prev. Match, or	Column I-J	Column (F-G)-(I-J)	
5	FUND XX	Subfunction	Contract Amt	For Match, & Other	Net Salary: Column	Contrib &	Offset Contrib,	Net Employer	Paid SDAC Expenses
6	FUND CODE	Code	Paid this quarter	Revenue Offsets)	F less Column G:	Fringe Pd	and Fringe	Contrib/Fringe	NET of Offset Amts
7		0	0		\$ -			\$ -	\$ -
8		0	0		\$ -			\$ -	\$ -
9		0	0		\$ -			\$ -	\$ -

You may customize this worksheet by adding a fund column or sub-function rows. **Federal dollars and all offsets must be listed in the separate column. Medicaid requires that you "show your work."** Amounts included on the worksheet should represent a full quarter of actual cost activity.

2. All federal funds, along with maintenance of effort and other state/local matching funds required by any federal grant, must be offset; and insurance and other fees collected from non-governmental sources must be offset.
3. The completed template should include the amount of federal and other offset dollars. Your district's work papers must have a detailed listing of all revenues offset from the claim, by source. This information should be maintained in the district's SDAC audit file for that quarter.
4. Note: Report total salary and benefits for each position identified on the **PersCost** template insuring that the fund and sub-function information is completed for each entry.

VII. Cost Data – Salaries and Fringe Benefits: Other Costs Section II

You will be asked to report the quarterly salaries and fringe benefits for every employee included in the sample pool.

You may also be asked to report salaries and benefits of district and school support staff who were not sampled but who provide direct support to the sampled population. Your designated district SDAC coordinator will provide a listing of these employees (if necessary) separate from the sampled population. Simply report the salaries and benefits for these employees on the

Section II. Exceptional Student Education Indirect Costs										
Report those costs applicable to support/administrative personnel not contained on your PersCost roster , but actively providing support services to the program.										
Report only state funds that are not appropriately offset by federal/other funds.										
First Name	Last Name	FUND CODE	Subfunction Code	Job Code	Job Title	Quarter's Salary	Offsets	Net	Quarter's Fringes - Contribs.	Fringe - contrib. Offsets
Jane	Smith	100	214	24	Psychologist	\$ 720.00	\$ 100.00	\$ 620.00	\$ -	\$ -
Mary	Doe	100	222	26	Media Specialist	\$ 9,869.10	\$ 2,000.00	\$ 7,869.10	\$ 2,824.26	\$ 1,000.00
Julie	Jones	100	113	31	Teacher	\$ 11,694.84		\$ 11,694.84	\$ 2,847.06	
								\$ -		\$ -
								\$ -		\$ -
								\$ -		\$ -
								\$ -		\$ -
TOTALS								\$ 20,183.94		\$ 4,671.32
WORKSHEET								G21		G22

Other Cost template, Section II, after you have entered the data for the entire sampled population.

The following positions **may** have been included in the sample pool or reported as support personnel (but no one person should be reported twice):

- Counselors
- Social Workers
- Psychologists
- Nurses (RN, LPN, Para, Aide, Assistant)
- Therapists (Behavioral, Autism, Physical, Speech, Occupational, Etc.)
- Special Education (Coordinators, Directors, Etc.)
- Audiologists
- Teachers (Emotionally Disturbed, Mentally Retarded, Art, BD/MR, CWC, Family Resource, LD/BD, Special Education, Etc.)
- Directors (Administrators, Department Head, Coordinator)
- Secretaries, Clerks, Aides (All Types)

VIII. Other Cost Data – Section I: Purchased Services and Supplies

Report purchased services and supplies expenditures at the fund and object level on the Other Cost worksheet, Section I, reporting:

- All district expenditures (this figure is later reduced by the ratio of SDAC personnel expense to total district expense);
- Only those costs that pertain to functions 100, 120, 140, 160, 170, and 200 (excluding expenditures from functions 231-318, 252, 254, 257, 259, and the 260 Series) if those functions relate to employees reported in the sample pool;
- Listing the 200 series fund codes you report to ensure exclusion of those expenditures captured in your district's federal non-restricted indirect expenditure rate; and
- Excluding any federal expenditures or state funds that have been previously used to match other federal dollars.

You **may** report object code 310 (purchased professional and technical services, to be listed only if these contractual staff are not listed on the personnel roster), other 300 series object codes (purchased services including instructional, student, statistical, etc.), and 400 series supplies and materials expenditures for any of the following functions related to the employees listed on the district's random moment sample roster for the quarter:

- [illegible]

Function	Object 310*	Other 300* Objects	Objects 400	General Fund Total	Functions
100					
120					
140					
160					
170					
200**					200 Support services, Administrative, technical, personal (e.g. guidance and health), and logistical support to facilitate and enhance instruction.
Total	\$ -				

NOTE: Include only those items not already included in district's nonrestricted [indirect cost figure](#).

E13 Type yes or no in cell F 27

Did you exclude 231-318,252,254,257,259,260s ?

12

funds not listed above, simply adjust the template to accommodate your district's needs.

IX. Other Cost Data – Section III: Total District Salaries & Fringes

1. The Other Cost worksheet section III asks for non-federal/offset salaries and benefits for the entire school district, including the people on the PersCost template.
2. Section III has two purposes. First, our consultants indicate that the total SDAC salaries should be between 5% and 10% of the district's total salary and benefit expenditures. Section III is used as a quality assurance control to calculate the percentage of your district's expenditures.
3. Second, Section III is also used to calculate the percentage of Section I costs that can be claimed. In Section I, you report all non-federal/offset district expenditures for the listed functions and objects. The percentage is used to reduce the claimed amount to the proportionate share represented by SDAC salaries.
4. If your district's SDAC expenditures are less than 5% of the district total, then SCDE will contact your SDAC Coordinator concerning whether all appropriate personnel and expenditures are being reported by the district.
5. If your district's SDAC expenditures exceed 10% of the district's total, then SCDE will contact your SDAC Coordinator to ask whether (1) all salaries were reported in section III; or (2) whether the claim may be over-reporting SDAC expenditures. This will also impact your district's claim related to Section I costs.

41					
42	Section III. Total, District-Wide, non-Federal Salaries and Fringe Benefits				
43					
44					
45					
46	Function	Object 100	Object 200	Non-Federal	
47		Salary	Benefits	Funds	
48				Total	
49	100	\$ 3,893.32	\$ 2,673.24	\$ 6,366.56	
50	120	\$ 191,121.66	\$ 66,700.35	\$ 257,822.01	
51	130	\$ 2,080.92	\$ 2,368.49	\$ 4,449.41	
52	140			\$ -	
53	150			\$ -	
54	160			\$ -	
55	170			\$ -	
56	180			\$ -	
57	190			\$ -	
58	200	\$ 93,759.52	\$ 30,559.61	\$ 124,319.13	
59	220	\$ 4,241.90	\$ 2,776.92	\$ 7,018.82	
60	230	\$ 14,891.99	\$ 6,764.99	\$ 21,656.98	
61	250	\$ 1,458.04	\$ 1,263.17	\$ 2,721.21	
62	260			\$ -	
63	270			\$ -	
64	300			\$ -	
65	Total	\$ 311,247.35	\$ 113,106.77	\$ 424,354.12	
66	WORKSHEET			G10	
67					
68					
69					
70					
71					

X. Once you've completed the spreadsheet – the process

1. Once you have completed the PersCost or AltPersCost and Other Cost spreadsheets, please review your work against the checklist below to reduce the delay in submitting your claim invoice.
2. Please transmit all completed data to: Quinton Harris at Qharris@ed.sc.gov. If you have specific questions you can also contact Vchamber@ed.sc.gov.
3. We will return to you a copy of the completed templates, a worksheet, and an invoice for the quarter, including the statement for Certification of Match. If we have questions about your invoice or data, they will be emailed to you and listed on the NOTES page in the spreadsheet.
4. If you make changes on the returned spreadsheet, the linked cells should automatically update the invoice.
5. After you have reviewed the invoice for accuracy, and responded to any questions from us, please:
 - Transmit a copy of the Excel file back to SCDE with any changes and responses;
 - Print the invoice;
 - Have the Certification of Match on the invoice signed by the appropriate finance officer for the district;

- Fax a signed copy of the Certification of Match/Invoice document to SCDE or create a .PDF of the signed copy of the Certification of Match and email as an attachment to Quinton Harris at Qharris@ed.sc.gov; the fax number is 803-734-3247.
- Retain the original copy of the certificate/invoice on file with the cost data for a period of five years for audit purposes; and
- Retain in your SDAC quarterly audit file any work papers substantiating offsets and amounts reported on the worksheets.

XI. Checklist

- ✓ Has the **Personnel** roster worksheet been discussed with the districts SDAC coordinator?
- ✓ Do the **Personnel and PersCost** worksheets include all Fund and Subfunction codes?
- ✓ Whenever a Fund code in the 200 series is listed, do **PersCost** worksheet columns list federal and other funds that are offset against total salary and total benefits/contributions?
- ✓ If you are using district-specific 200 series fund codes, have you explained whether these codes represent federal funds?
- ✓ Have all costs attributed to personnel identified by the school district who perform the reimbursable functions been included in the total cost pool identified on the **PersCost** worksheet?
- ✓ Have all costs attributable to the non-sampled supervisory and clerical staff been listed in Section II of the **Other Costs** worksheet?
- ✓ Have federally reimbursed personnel costs been excluded?
- ✓ Have third-party insurance reimbursements been excluded?
- ✓ Have other state funds that are used as match for other federal programs been excluded?
- ✓ If you choose to report purchased services and supplies related to the personnel on the district's roster, have all non-federal/offset operating expenditures associated with the subfunctions related to sampled and

allowable support staff been reported on **Section I of the Other Cost** worksheet by fund and function?

- ✓ Have total non-federal/offset district salaries and benefits been reported in **Section III of the Other Cost** worksheet for quality assurance purposes?
- ✓ Have you included sufficient detail related to the **Other Cost** worksheet to indicate that no expenditures reported there in Sections I or II are included in the district's non-restricted indirect expenditure rate? (See Other Costs Cell N6.)
- ✓ Have copies of the underlying and reported data been retained in the district's SDAC quarterly audit file?
- ✓ Has the cost data and any updates been submitted to Quinton Harris at Qharris@ed.sc.gov or Virgie Chambers at Vchamber@ed.sc.gov ?
- ✓ Has the Certification of Match/Invoice been signed and faxed (803-734-3247) or emailed to Qharris@ed.sc.gov ?

XII. Questions or Concerns

Contact: Virgie Chambers at 803-734-2087 or via email at vchamber@ed.sc.gov

Appendix 1: Certification of State Expenditures by School Districts

South Carolina Department of Health and Human Services

Attention: School-Based Programs

To Whom It May Concern:

I, as financial officer of the _____, am
(Name of School District)

charged with the duties of supervising the administration of the provision and billing for the School District Administration Claiming services provided under Title XIX (Medicaid) and Title XXI of the Social Security Act, as amended. I hereby certify that the school or school district has expended the state share of public, non-federal funds needed to match the federal share of medical claims billed to the state Medicaid agency for School District Administrative Claiming services provided to eligible Medicaid students during the _____ quarter.
(Month/Year Certified)

I also certify that the school or school district's certified expenditures were incurred in accordance with provisions of South Carolina's policies for the services. These certified expenditures are separately identified and supported in our accounting system.

Name (please print)

Signature

Title

Date

Appendix 2: Expenditure Account Fund Codes – 200 Series

FISCAL YEAR 2011-12

SUMMARY OF EXPENDITURE ACCOUNTS

B. SUBFUND 200 SERIES (SPECIAL REVENUE FUND)

Major Federal Programs (State Level)

201	Title 1 Current Year (84.010)
202	Title 1 Prior Year Optional (84.010)
203	Individuals with Disabilities Education Act (IDEA)—CA Projects Only Current Year (84.027) (Carryover Provision)
204	Individuals with Disabilities Education Act (IDEA)—CA Projects Only Prior Year Optional (84.027)
205	IDEA Preschool Grants Current Year (84.173)(Carryover Provision)
206	IDEA Preschool Grants Prior Year Optional (84.173)
207	Occupational Education-Base Grants Current Year (84.048)
208	Occupational Education-Base Grants Prior Year Optional (84.048)
209	Drug and Violence Prevention Program Current Year (84.186)
210	Drug and Violence Prevention Program Prior Year Optional (84.186)
211	IDEA Capacity Building and Improvement—CR Projects Only
212	Extended School Year Handicapped Services
213	Individuals with Disabilities Education Act (IDEA) CO Projects Only Current Year (84.027)
214	Individuals with Disabilities Education Act (IDEA- CE Projects Only Current Year (84.027)
215	Not Used
216	Not Used
217	Not Used
218	SC Reading First Title 1(84.357)
219	Not Used
220	Not Used
221	Not Used
222	Not Used
223	Not Used
224	21 st Century Community Learning Centers Program Title IV(84.287)
225	Mathematics and Science Partnerships Program, Title II
226	Not Used
227	Not Used
228	Not Used
229	Not Used
230	Not Used
231	Not Used
232	McKinney Vento
233	Not Used
234	Not Used
235	Title I Migrant Education (84.011)
236	Title I Neglected & Delinquent (84.013)
237	Title I State Program Improvement (84.218)

238	Handicapped Personnel Prep (84.029)
239	Christa McAuliffe Fellowship (215)
240	Not Used
241	Promoting Informed Parental Choice and Innovative Programs, Title V(84.298) (Carryover Provision)
242	Even Start Family Literacy (84.213)
243	Adult Education (84.002)
244	Not Used
245	Not Used
246	US Forest Commission
247	FEMA Disaster Assistance (83.516)
248	CDC State and Local Coordinated School Health Programs (93.938)
249	Learn and Serve America (94.004)
250	Not Used
251	Rural and Low-Income School Program, Title VI(84.358B)
252	Public Charter School Grant (84.282)
253	Enhancing Education Through Technology (E2T2), Title II(84.318)(Carryover Provision)
254	Not Used
255	Temporary Assistance to Needy Families(TANF) – Federal (93.558)
256	Homeless Children State Grant (84.196)
257	Children with eaf – Blindness (84.332)
258	Tech Prep Education, Title II (84.243)
259	Head Start Families (93>600)
260	Social Services Block Grant (84.332)
261	Not Used
262	Not Used
263	Comprehensive School Reform Grant (84.332)
264	Language Instruction for Limited English Proficient and Immigrant Students. Title III (84.365)(Carryover Provisions)
265	Not Used
266	Not Used
267	Improving Teacher Quality (84.367A) Carryover Provision)
268	Teacher Incentive Fund
269	Reserved for Combined Federal Funds
270-299	Reserved for Direct Federal Grants and Local Grants

Appendix 3- MEDICAID MONEY: HOW CAN IT BE USED? IS IT FEDERAL?

Districts receive from Medicaid a partial reimbursement for medical service expenditures. Although these funds come from the federal government, they are not “federal” funds subject to federal restrictions on spending and reporting. One way of understanding this distinction is to consider your federal income tax return. When the IRS sends you a refund check, you can deposit those funds into your account and spend them as you see fit. Similarly, when Medicaid sends you a reimbursement check, those funds are district money that can be used according to district policy.

Therefore, for purposes of School District Administrative Claiming (SDAC), those employees who are paid from Medicaid reimbursements should not be considered “100% federally funded.” Those employees can be included on the SDAC roster if they routinely perform billable SDAC activities. The district cost reports including those employees do not need to be offset by the Medicaid reimbursements used for their salaries (so long as those funds are not already being used to match other federal money).¹

As to how the district should account for these funds, it depends upon the expenditures that are being reimbursed. According to Len Richardson, director of the SCDE Office of Finance, because Medicaid School District Administrative Claiming reimbursements are mostly reimbursement for salaries, this money should technically reimburse the funds where the salaries were expended. In the case of most districts, this will mean the funds are deposited in their general fund.

There are no *specific* state-level or federal restrictions on the districts' use of Medicaid reimbursement funds. How the funds should be expended is a matter for your district to decide. In the past, districts have been encouraged to reinvest these funds in the district's health care programs.

The FY 11-12 Appropriations Act does contain a proviso that reads as follows:

1.2 (SDE: DHEC - Comprehensive Health Assessment) All school districts shall participate, to the fullest extent possible, in the Medicaid program by seeking appropriate reimbursement for services and administration of health and social services. ***Reimbursements to the school districts shall not be used to supplant funds currently being spent on health and social services.*** H. 3700 as ratified by the General Assembly 6/22/11.

Therefore, how the funds should be expended is a matter for your district to decide so long as the use does not “supplant” funds currently being spent on these services.

In discussions with your district about uses of these funds, it is appropriate to remember that most Medicaid reimbursements are an attempt by Congress to fulfill its promise to provide 40% funding under the I.D.E.A. Current I.D.E.A. federal funding is at about 18% of expenditures, and the statute's requirements have substantially increased since the 40% promise was made. To partially bridge this gap, the Medicaid laws were amended to allow school districts to bill Medicaid for services listed in an I.E.P. despite the fact that these medical services are provided free of charge. (Normally Medicaid does not allow providers to bill for “free care.”) It would therefore be appropriate for a district to reinvest these funds into the I.D.E.A. programs that Congress intended to benefit.

¹ The salary offset column should list not just federal funds, but also any state or other funds that have already been used to match other federal dollars. We like to call this the “monogamy” provision: once those state funds have been “married” to federal funds once, they cannot be matched again to other federal funds.

Appendix 4 – FY 2011-2012 Indirect Cost Rates

DISTRICT	UNRESTRICTED	FOOD SERVICE	RESTRICTED
Abbeville	14.85	11.73	2.71
Aiken	14.01	11.92	1.93
Allendale	21.63	16.25	3.94
Anderson 1	14.68	10.63	2.96
Anderson 2	15.03	10.74	3.12
Anderson 3	16.44	12.27	2.34
Anderson 4	23.38	16.92	5.74
Anderson 5	17.73	14.04	5.06
Bamberg 1	20.31	17.94	5.89
Bamberg 2	20.64	17.23	3.50
Barnwell 19	19.05	14.23	4.50
Barnwell 29	15.54	14.14	2.12
Barnwell 45	16.49	14.98	3.65
Beaufort	26.19	18.94	4.96
Berkeley	19.42	13.66	1.28
Calhoun	26.05	18.65	5.11
Charleston	28.59	22.34	3.63
Cherokee	19.44	13.79	1.60
Chester	23.38	19.47	4.58
Chesterfield	18.99	13.27	2.53
Clarendon 1	18.89	14.68	3.32
Clarendon 2	18.30	13.18	2.67
Clarendon 3	18.77	15.38	3.28
Colleton	20.28	16.28	2.02
Darlington	15.59	9.78	3.47
Dillon	22.79	17.07	4.61
Dillon 4	15.30	13.07	3.01
Dorchester 2	19.03	14.45	2.04
Dorchester 4	28.49	16.14	3.88
Edgefield	15.10	12.01	2.37
Fairfield	21.54	17.75	5.69
Florence 1	12.13	10.42	3.13
Florence 2	10.93	6.92	0.30
Florence 3	15.55	13.23	3.97
Florence 4	28.33	21.42	2.93
Florence 5	16.61	13.62	1.68
Georgetown	20.68	15.34	3.79
Greenville	20.89	12.97	2.70

Greenwood 50	22.61	14.34	3.73
Greenwood 51	16.21	14.40	2.88
Greenwood 52	14.59	11.99	2.39
Hampton 1	13.11	11.10	3.64
Hampton 2	20.62	20.75	7.45
Horry	19.50	14.29	4.25
Jasper	30.65	25.54	5.79
Kershaw	18.22	12.91	1.72
Lancaster	16.05	11.92	2.59
Laurens 55	19.27	12.73	2.86
Laurens 56	20.65	10.54	2.23
Lee	21.80	21.80	13.59
Lexington 1	21.36	16.11	4.16
Lexington 2	21.17	14.67	3.72
Lexington 3	18.95	14.57	2.21
Lexington 4	11.25	11.25	2.15
Lexington 5	18.08	13.61	3.44
McCormick	22.37	14.33	1.40
Marion 1	15.09	12.76	2.03
Marion 2	20.59	17.47	7.13
Marion 7	25.85	19.36	5.52
Marlboro	16.33	13.89	3.90
Newberry	9.30	14.03	3.00
Oconee	20.60	14.90	3.07
Orangeburg 3	9.02	13.54	2.59
Orangeburg 4	17.15	17.15	3.27
Orangeburg 5	19.15	15.75	5.17
Pickens	13.38	11.09	2.36
Richland 1	28.17	18.21	4.65
Richland 2	40.84	13.89	5.33
Saluda	20.17	15.09	3.56
Spartanburg 1	19.65	12.50	2.74
Spartanburg 2	14.67	10.76	2.00
Spartanburg 3	21.00	15.45	3.27
Spartanburg 4	19.13	13.41	3.41
Spartanburg 5	18.02	11.31	1.42
Spartanburg 6	18.45	12.40	1.37
Spartanburg 7	16.77	13.19	2.50
Sumter 1	19.46	15.35	1.93
Union	22.06	14.98	4.55
Williamsburg	19.65	14.56	3.74
York 1	17.04	13.52	2.31
York 2	28.20	20.94	4.48

York 3	20.99	14.55	3.71
York 4	17.48	10.09	0.81

Appendix 5: Indirect Cost Rate Methodology

TERMINOLOGY

Indirect Cost Rate. An *indirect cost rate* is simply a device for determining, in a reasonable manner, what proportion of general expenses each federal grant or contract should bear. It is the ratio between total indirect costs and some direct cost base, commonly either direct salaries and wages or total direct costs, exclusive of any extraordinary or distorting expenditures such as capital outlay, major subcontracts, alterations, and renovations.

The indirect cost rate formula is as follows:

$$\text{INDIRECT COST RATE} = \text{INDIRECT COSTS} \div \text{DIRECT COSTS}$$

Excluded Costs. Certain items of costs are classified in OMB Circular No. A-87 as extraordinary or distorting expenditures and are excluded from the computation of the indirect cost rate. *Excluded costs* in this category include Capital Outlay, Function 253; Debt Service, Function 500 series; and Other Charges, Function 400 series. In addition, Food Services expenditures for food, supplies, and equipment charged to Function 256 have been excluded for the nonrestricted rate and the restricted rate under instructions from the OMB.

Disallowed Costs. OMB Circular No. A-87 classifies certain items of cost as *disallowed*, which means that the federal funds cannot be used for these items. These are costs directly attributable to governance. For formula computational purposes, these governance costs are combined with direct costs.

Indirect Costs. *Indirect costs* are costs of a general nature. They are incurred for a common or joint purpose benefiting more than one activity specifically without effort disproportionate to the results achieved.

Direct Costs. *Direct costs* are those that are incurred specifically for one activity and that can be identified specifically with that activity. These costs may be charged directly to grants, contracts, and other programs against which costs are finally recorded.

Restricted Rate. In accordance with an advisory statement from the Secretary of Education, a *restricted* indirect cost rate must be applied to grants and contracts that contain the “supplement, not supplant” legislative restrictions. The restricted rate would apply in grant programs under the Elementary and Secondary Education Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Applied Technology Education Act, and any other legislative authority requiring assurance that federal funds will be so used to supplement and in no case to supplant state or local funds.

Excluded Costs

Restricted Rate Nonrestricted Rate

A.	Facility Acquisition and Construction (Function 253)	A.	Facility Acquisition and Construction (Function 253)
B.	Food Services (Function 256, food and supplies)	B.	Food Services (Function 256, food and supplies)
C.	Other Charges (Function 400 series, transfer expenditures)	C.	Other Charges (Function 400 series, transfer expenditures)
D.	Debt Service (Function 500 series)	D.	Debt Service (Function 500 series)
E.	Equipment (Object 540 series)	E.	Equipment (Object 540 series)

Indirect Costs

Restricted Rate Nonrestricted Rate

- | | |
|--|--|
| A. Board of Education
(only Account 231-318, Audit Services)* | A. Board of Education
(only Account 231-318, Audit Services)* |
| B. Fiscal Services (Function 252) | B. Fiscal Services (Function 252) |
| C. Internal Services (Function 257) | C. Operation and Maintenance of Plant
(Function 254) |
| D. Internal Auditing Services (Function 259) | D. Internal Services (Function 257) |
| E. Central Support Services
(Function 260 series) | E. Internal Auditing Services (Function 259) |
| F. Unused Leave (Object Code 140) | F. Central Support Services
(Function 260 series) |
| G. TERI-2 nd A/L Payout (Object Code 150) | G. Depreciation or Use Allowance on Buildings
and Equipment |
| | H. Unused Leave (Object Code 140) |
| | I. TERI-2 nd A/L Payout (Object Code 150) |

* In accordance with OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, an entity may not charge audit costs to a federal award if the entity has total federal award expenditures of less than \$500,000 per year.

Direct Costs

Restricted Rate Nonrestricted Rate

A.	Instruction (Function 100 series)	A.	Instruction (Function 100 series)
B.	Pupil Services (Function 210 series)	B.	Pupil Services (Function 210 series)
C.	Instructional Staff Services (Function 220 series)	C.	Instructional Staff Services (Function 220 series)
D.	Board of Education (Function 231 except Object 318, Audit Services)	D.	Board of Education (Function 231 except Object 318, Audit Services)
E.	Office of Superintendent (Function 232)	E.	Office of Superintendent (Function 232)
F.	School Administration (Function 233)	F.	School Administration (Function 233)
G.	Operation and Maintenance of Plant (Function 254)	G.	Pupil Transportation (Function 255)
H.	Pupil Transportation (Function 255)	H.	Food Services (Function 256 except food, supplies, and equipment)
I.	Food Services (Function 256 except food, supplies, and equipment)	I.	Supporting Services Pupil Activity (Function 271)
J.	Supporting Services Pupil Activity (Function 271)	J.	Community Services (Function 300 series)
K.	Community Services (Function 300 series)	K.	Summer School (Function 170 series)
L.	Summer School (Function 170 series)		

Beginning FY 2009–10, unused leave costs are included in the pool as an indirect cost. Please note the instructional memo on the SCDE website at http://www.ed.sc.gov/agency/offices/finance/memos_forms/documents/Memorechargingunusedleavetofederalprograms1.doc that states “**effective immediately, payments for terminal leave shall not be charged directly to any federal program.**”